



P.O. Box 2749  
Sacramento, CA 95812-2749  
Telecommunications Device for the Deaf - (916) 795-3240  
(916) 795-3400

September 13, 2010

## **AGENDA ITEM 8d**

### **TO: MEMBERS OF THE INVESTMENT COMMITTEE**

**I. SUBJECT:** Spring-Fed Pool Consultant Status Report

**II. PROGRAM:** CalPERS Total Fund

**III. RECOMMENDATION:** Information

#### **IV. PURPOSE:**

The purpose of this item is to provide the Investment Committee with a report of Spring-Fed Pool Consultant engagements, enabling timely monitoring of CalPERS investment consultant expenses.

#### **V. ANALYSIS:**

In May 2010, the Investment Committee directed staff to provide a quarterly report identifying contract activity for Investment Office Spring-Fed Pool Consultants.

The Spring-Fed Pool Encumbrance Report (Attachment 1) is the first such report provided to the Investment Committee and encompasses consultant contract activity for Fiscal Year 2009-10. The report includes Spring-Fed Pool consultant Letters of Engagement developed in FY 2009-10, a description of services provided and the amount encumbered for the services. The selection of a consultant for a Letter of Engagement is based on the required expertise, the best overall proposed methodology or solution to a special project, and the associated cost.

**VI. STRATEGIC PLAN:**

1. Goal VIII: Manage the risk and volatility of assets and liabilities to ensure sufficient funds are available; first, to pay benefits, and second, to minimize and stabilize contributions.
2. Goal IX: Achieve long-term, risk-adjusted returns.

**VII. RESULTS/COSTS:**

There are no costs associated with developing this item.

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SHANNON KNUDSEN, Assistant Chief  
Policy and Business Support

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KAMI NIEBANK, Chief  
Policy and Business Support

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JANINE GUILLOT  
Chief Operating Investment Officer